



## Congressman Tom Udall



**President made big promises in his State of the Union, but walked away from them the next day.** President Bush promised that his Administration was committed to reducing our dependence on foreign oil. He noted that, "America is addicted to oil" and issued a call to "break this addiction." The President set a lofty goal of replacing "more than 75 percent of our oil imports from the Middle East by 2025." However, the next day, Bush's Energy Secretary, Samuel Bodman, was backpedaling from the President's pledge, noting the promise 'was purely an example.'. [Knight-Ridder, 2/1/06] The same day the *New York Times* reported that the National Renewable Energy Lab, due to GOP budget cuts, it would begin laying off researchers investigating the use of wind, biomass and ethanol as sources of energy. [New York Times, 2/2/06]

**President's budget does not match the rhetoric of the State of the Union.** The Administration has cut funding renewable energy for years, and the budget fails to turn this around. The President's budget provides too little for research on renewable energy (a paltry increase of about \$100 million, 46 percent less than the level promised in the new energy law), while eliminating research on other renewables, such as geothermal. [Senate Energy and Natural Resources, 2/6/06] The \$150 million the White House said it would commit to making biofuels more competitive, for instance, turns out to be \$50 million less than the amount authorized by last year's energy bill.

**President's budget cuts renewable energy programs for rural areas.** The President's budget eliminates all funding for bioenergy incentives that help expand the production of ethanol and biodiesel. Further, the budget cuts renewable energy loans (from \$177 million to \$35 million) and grants (from \$11 million to \$8 million). The budget cuts biomass research and development by \$2 million and slashes value-added grants, which can be used to fund energy start-up companies, by \$100 million.

**President's budget leaves too many families out in the cold.** Average costs for consumers to heat their homes this winter are up – 24 percent for natural gas, 16 percent for heating oil, 14 percent for propane, and 5 percent for electricity. [EIA, 2/06] Yet, the President is cutting, by one-third, the Weatherization Assistance Program, denying help to 28,650 low-income Americans in reducing their energy bills by purchasing storm windows and insulation to improve their home's energy efficiency. [House Appropriations Committee, 2/6/06, National Community Action Foundation] The Bush Administration is refusing to call for extra funds for low-income home energy assistance (LIHEAP) this winter, even though Congress cut home energy assistance by \$20 million and the number of people applying for help with their heating bills has reached a 12-year high. The budget is \$2.3 billion short of the amount promised for LIHEAP in the new energy law, even though only one out of every five people eligible received energy aid last year. [National Fuel Funds Network]

**President's budget slashes energy efficiency and conservation.** The President's budget cuts energy efficiency by 13 percent from last year, even though DOE research on core efficiency programs has been cut by 32 percent in real terms since FY 2002. [Union of Concerned Scientists; American Council for an Energy Efficient Economy, 2/7/05] For example, it cuts the Federal Energy Management Program, which has reduced energy use in federal building by 24 percent over 15 years and saves taxpayers \$1 billion each year, by 11 percent. [Center for American Progress, 2/2006] It

also cuts Energy Star, which provides guidance to consumers regarding the most energy efficient appliances. Reducing our nation's energy consumption is effective in reducing our reliance on foreign energy, but the President's budget cuts conservation programs by \$113 million. [House Appropriations, 2/6/06] The President's budget cuts the Energy Department by nearly 2 percent.

**President's Budget insists on drilling in the Arctic National Wildlife Refuge for the oil and gas companies and leaves many of the subsidies for oil and gas intact.** The President's budget is more of the same -- continuing the call to open up the pristine coastal plain of the Arctic National Wildlife Refuge (ANWR) to oil and gas drilling, even though Congress decisively rejected that last year. Arctic drilling has long been a top priority for the oil and gas industries, which have donated \$138 million to Republicans since 1990 and spent millions more lobbying Congress. [Center for Responsive Politics]

**Families are paying higher prices as oil companies are reaping record profits under this Administration.** Since President Bush came into office, gas prices have risen by 89 cents, and home heating costs will be 79 percent higher this winter. Meanwhile, our dependence on foreign oil has increased, from 58 percent to 62 percent of the oil consumed in the United States today. [EIA, "Overview of US Petroleum Trade"] In the last year, major oil companies have reaped record-breaking profits, more than \$100 billion in 2005.

**I believe there is a better way.** I believe we need to balance traditional sources of energy with measures to encourage energy efficiency, renewable energy production, and alternative energy research. Alternative energy must be part of the mix for many reasons. First, reducing our country's dependence on foreign oil from unstable countries would greatly benefit our national security. Second, increased renewable energy and alternative fuels production could significantly reduce air pollution and global warming resulting from carbon emissions. Third, we must invest in renewable energy to keep a competitive advantage with countries such as Germany, Denmark, and Japan, and to gain a technological edge in the global renewables market. Finally, investing in renewable energy will mean creating diverse job opportunities at home. I support a Federal Renewable Portfolio Standard, much like New Mexico's state renewable electricity standard, to encourage and increase the production of renewable energy in our country.